



CHEMICAL GROUP

NORTH AMERICAN COMPENSATION PROGRAMS

FY03 MANAGER TOTAL REWARDS GUIDE

April 1, 2002 – March 31, 2003

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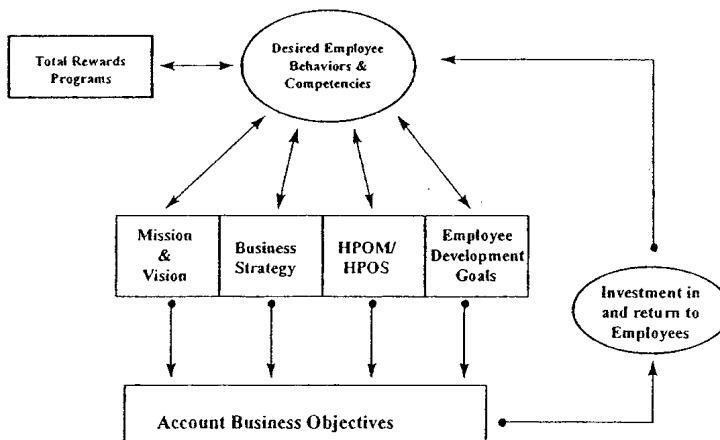
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1. Total Rewards

A. Total Rewards Strategy

The Chemical Group's Total Rewards Strategy is to associate all cash and non-cash rewards with the achievement of Business Objectives and individual career goals. The strategy is accomplished by creating programs that reinforce the desired employee behaviors and competencies, which support our Mission and Vision, Business Strategies, and High Performance Operating Model. The strategy is depicted in the diagram below:



The TOTAL REWARDS program is a package of reward tools designed with a focus on shifting everyone's orientation around cash compensation from one of entitlement to delivering results. In principle, the program will:

- Tie employee total compensation to business objectives by motivating employees to measurably impact short-term and long-term business results.
- Achieve business results through desired behaviors and competencies.
- Promote and require effective team and individual behavior deemed necessary for future success of the account.
- Provide employees with the opportunity to take part in increasing their own employment value.
- Maintain market competitiveness while balancing total compensation between base salary and variable compensation.
- Attract, develop and retain the skills necessary to meet and/or exceed business objectives.
- Shift the organization to a results-oriented and performance-based pay system.

B. TOTAL COMPENSATION PHILOSOPHY

Our global total compensation philosophy is to pay above the market average and link employee pay to individual, team and account performance for the purpose of attracting and retaining the resources necessary to meet or exceed business objectives. We will balance the elements of our total compensation program by targeting our base salaries at market average and by supplementing base salaries with a variable compensation program that supports our business objectives and is responsive to the market.

C. COMPONENTS OF TOTAL REWARDS

TOTAL REWARDS incorporates all forms of compensation including but not limited to:

- Base Pay
- Variable and Incentive Compensation
- Additional Compensation
- Recognition Program
- CSC Benefit Plans
- Benefits embedded in CSC policies (Education Assistance, PC Loan, etc.)
- Non-cash awards in the form of personal and professional development, etc.

Our charter is to offer a cadre of reward programs targeted to meet specific business objectives while ensuring that each employee receives fair and equitable treatment for the value he or she adds to the Chemical Group.

Accordingly, it becomes the responsibility of our leaders to teach, coach and guide the members of their work group to consider and understand the value of their relationship with this Company in total, not simply in terms of their direct pay.

D. Evolutionary Process

Although implemented, the design of these programs and processes will remain evergreen. The CG Human Resources organization will continually evaluate our pay practices to ensure industry and market competitiveness. This evolutionary process will allow us to continually monitor our internal needs, business objectives and market changes so that we achieve our overall compensation philosophy. Additionally, we will be able to constantly refine and improve employee support processes, such as pay practices, to ensure a continued focus on rewarding people for meeting and/or exceeding business objectives, delivering results, and demonstrating behaviors that advances excellent people treatment.

In FY99, the introduction of the DuPont Account Incentive Compensation Program marked the beginning of this evolution. Our first step defined a process that included all employees in an incentive compensation program, shifted our focus from individual to team based incentives/rewards, and began to change our compensation "mix" from being fixed (base pay) to one that combines fixed and variable (incentive) rewards.

E. FY2003 Key Initiatives

Several key initiatives took place in preparation to launch FY2003 incentive programs:

- ***Anchored base salaries to the Market*** : After a thorough review of the market, we established our position vis-à-vis that market.
- ***Salary Improvement Fund (SIF)*** : Engaged in a thorough analysis of current business conditions and projections for the current fiscal year. With full understanding of our competitive position in the labor market and results of the business analysis.
- ***Incentive Compensation Program*** : The incentive compensation program has been upgraded and re-designed for FY03, but it will continue to allow for all eligible employees on the CG payroll and CG employees joining GIS prior to April 5, 1999 to participate in an incentive program. This document will provide more insight into this plan and how it links to FY2003 business objectives.
- ***Premium Skills Pay Program*** – Moved our PSPP program to an "inactive" status as a result of and thorough review of the market. It has been determined that at this time, market premiums are not demanding the price they once had for hot technologies. Our PSPP program will remain "inactive" until future market analyses determines that Chemical Group's business needs and market change dictates a re-activation of "Hot Skills".
- ***Recognition Program*** – This employee recognition program allows employees to recognize their peers for outstanding contributions and behaviors that support Chemical Group strategies, objectives and the

operating model. It will also reflect Cultural Disciplines. This year, an employee action team has been working to enhance the programs' non-cash awards.

- **Eligibility - Chemical Group employees are eligible to participate in only ONE incentive compensation program at a time:**
 - Employees cannot simultaneously participate in AMIP and the Chemical Group North American Incentive Compensation Plan

2. PURPOSE OF THE MANAGER'S GUIDE

The purpose of this document is to provide CG managers and supervisors with a description of all Chemical Group Cash and Non-Cash Compensation programs including:

- Base Salary
- Chemical Group North American Incentive Compensation Program
- Annual Management Incentive Program
- Recognition Program

It will serve as a reference tool to help you, as a leader, educate, coach and counsel the members of your work team or group so that they:

- Understand the purpose of our Cash and Non-Cash Compensation Programs and why they are part of our Total Rewards offering.
- Fully understand the concept of our Cash and Non-Cash Compensation Programs from a business and employee perspective

This document will be revised and published periodically so that you are up-to-date on revisions made to our pay practices.

A. Role of the Leader

YOUR ROLE AS A LEADER, is to invest the time to educate yourself and each employee about our Cash and Non-Cash Compensation Programs and how they fit into our Total Rewards Strategy. It is critical that employees understand the link between compensation and business objectives. Further, it is your responsibility as a manager to diminish the entitlement mindset relative to all compensation programs.

At least once a year, every manager and supervisor is expected to discuss performance and contribution with every employee. Further, it is expected that in these discussions, employees be engaged in active conversations that help them link performance to total rewards. In these discussions include:

- The Chemical Group Total Reward Strategy and Compensation Philosophy
- Current business conditions
- Impact of current business conditions on rewards and compensation
- Impact of current market conditions on Chemical Group compensation programs
- Components of incentive compensation programs for which they are eligible
- Current fiscal year business objectives and employee responsibilities and accountabilities for meeting or exceeding the objectives
- Expectation of level of performance and contribution relative to day-to-day responsibilities of their position

3. BASE SALARY

The Base Salary program at Chemical Group includes the flexibility to accommodate the varied needs of the business. It allows employees to achieve base pay increases based on individual contribution and performance. The program contains salary grades with wide bands that accommodate different technologies and skills found within each job classification and job family.

A. Job Titles and Job Families

Every hourly and salaried position is classified into a job titles, job family, and salary grade. There are 2 job families for **HOURLY** employees. They are the Technician Family and the Administrative and Clerical Family. Within each job family, there are a variety of job classifications, each in one of eleven different salary grades as follows:

Grade	Job Family	Titles
N01	Administrative & Clerical	Data Entry Operator I
		Department Assistant I
		Facilities Assistant I
N01	Technicians	Technical Assistant I
N02	Administrative & Clerical	Accounting Assistant I
		Data Entry Operator II
		Department Assistant II
N02	Technicians	Computer Operator I
		Technical Assistant II
N03	Administrative & Clerical	Accounting Assistant II
		Department Assistant III
		Facilities Assistant II
N04	Administrative & Clerical	Administrative Assistant I
N04	Technicians	Computer Operator II
		Technician I
N05	Administrative & Clerical	Accounting Specialist I
		Administrative Assistant II
		Facilities Specialist I
N05	Technicians	Computer Operator III
N06	Administrative & Clerical	Accounting Specialist II
		Administrative Assistant III
N06	Technicians	Computer Operator IV
		Technician II
N07	Administrative & Clerical	Accounting Specialist III
		Administrative Assistant IV
		Computer Operator V
N07	Technicians	Technician III
N08	Administrative & Clerical	Executive Assistant I
		Facilities Specialist II
N08	Technicians	Computer Operator Specialist
		Computer Operator V
		Technician IV
N09	Administrative & Clerical	Executive Assistant II
N09	Technicians	Computer Specialist
N10	Administrative & Clerical	No titles at this time
N11	Technicians	Technician V

There are 4 job families for **SALARIED** employees. They are the Management, Technical, Engineering, and Professional families. Within each job family, there are a variety of job classifications, each at a different salary grade level as follows:

Grade	Job Family	Titles
S01	Technical	Assoc Mem Tech Staff (AMPS)
	Professional	Assoc Member Prof Staff (AMTS)
S02	Technical	Memb Tech Staff B (MTSB)
	Engineering	Engineer Assoc
	Professional	Memb Prof Staff (MPS)
S03	Technical	Memb Tech Staff A (MTSA)
	Engineering	Engineer
	Professional	Memb Prof Staff Senior (SMPS)
	Management	Supervisor
S04	Technical	Sr Memb Tech Staff (SMTS)
	Engineering	Engineer Sr
	Management	Sr Supervisor
S05	Technical	Computer Scientist
	Engineering	Engineer Principle
	Professional	Memb Assoc Staff (MAS)
	Management	Manager
S06	Technical	Computer Scientist Sr
	Engineering	Engineer Sr Principle
	Professional	Sr Memb Assoc Staff (SMAS)
	Management	Sr Manager
S07	Technical	Computer Scientist Principle
	Engineering	Engineer Sr Cons
	Professional	Sr Member Executive Staff (SMES)
	Management	Director
S08	Management	Vice President
S09	Management	President

B. Chemical Group FY2003 Salary Ranges

Every year, the Human Resources team conducts a market benchmark to ensure our position in the market relative to average base salaries. Once the analysis is concluded, we compare our findings to current salary ranges, specifically, our midpoints. If our midpoints are below market averages, we adjust the midpoints and the minimums and maximums of the ranges.

The salaried and hourly employee salary range structures have not changed from FY02 to FY03. Our market data analysis did not indicate that any adjustments need to be made at this time.

The midpoints of all salary ranges are set to market average.

	Grade	1 minimum	1 maximum	2 minimum	2 maximum	3 minimum	3 maximum	4 minimum	4 maximum
H O U R Y	N01	\$15,400.00	\$18,700.00	\$18,700.01	\$22,000.00	\$22,000.01	\$25,300.00	\$25,300.01	\$28,600.00
	N02	\$17,325.00	\$21,037.50	\$21,037.51	\$24,750.00	\$24,750.01	\$28,462.50	\$28,462.51	\$32,175.00
	N03	\$19,490.63	\$23,667.19	\$23,667.20	\$27,843.76	\$27,843.77	\$32,020.32	\$32,020.33	\$36,196.88
	N04	\$21,926.95	\$26,625.58	\$26,625.59	\$31,324.22	\$31,324.23	\$36,022.85	\$36,022.86	\$40,721.48
	N05	\$24,667.82	\$29,953.78	\$29,953.79	\$35,239.75	\$35,239.76	\$40,525.71	\$40,525.72	\$45,811.67
	N06	\$27,751.30	\$33,698.01	\$33,698.02	\$39,644.72	\$39,644.73	\$45,591.42	\$45,591.43	\$51,538.13
	N07	\$31,220.21	\$37,910.26	\$37,910.27	\$44,600.30	\$44,600.31	\$51,290.35	\$51,290.36	\$57,980.39
	N08	\$35,122.74	\$42,649.04	\$42,649.05	\$50,175.34	\$50,175.35	\$57,701.64	\$57,701.65	\$65,227.94
	N09	\$39,513.08	\$47,980.17	\$47,980.18	\$56,447.26	\$56,447.27	\$64,914.35	\$64,914.36	\$73,381.44
	N10	\$44,452.22	\$53,977.70	\$53,977.71	\$63,503.17	\$63,503.18	\$73,028.65	\$73,028.66	\$82,554.12
	N11	\$50,008.75	\$60,724.91	\$60,724.92	\$71,441.07	\$71,441.08	\$82,157.23	\$82,157.24	\$92,873.39
S A L A R Y D E D	S01	\$ 25,800.00	\$ 34,400.00	\$ 34,400.01	\$ 43,000.00	\$ 43,000.01	\$ 51,600.00	\$ 51,600.01	\$ 60,200.00
	S02	\$ 30,600.00	\$ 40,800.00	\$ 40,800.01	\$ 51,000.00	\$ 51,000.01	\$ 61,200.00	\$ 61,200.01	\$ 71,400.00
	S03	\$ 37,800.00	\$ 50,400.00	\$ 50,400.01	\$ 63,000.00	\$ 63,000.01	\$ 75,600.00	\$ 75,600.01	\$ 88,200.00
	S04	\$ 43,800.00	\$ 58,400.00	\$ 58,400.01	\$ 73,000.00	\$ 73,000.01	\$ 87,600.00	\$ 87,600.01	\$ 102,200.00
	S05	\$ 48,600.00	\$ 64,800.00	\$ 64,800.01	\$ 81,000.00	\$ 81,000.01	\$ 97,200.00	\$ 97,200.01	\$ 113,400.00
	S06	\$ 56,160.00	\$ 74,880.00	\$ 74,880.01	\$ 93,600.00	\$ 93,600.01	\$ 112,320.00	\$ 112,320.01	\$ 131,040.00
	S07	\$ 70,200.00	\$ 93,600.00	\$ 93,600.01	\$ 117,000.00	\$ 117,000.01	\$ 140,400.00	\$ 140,400.01	\$ 163,800.00
	S08	\$ 94,770.00	\$ 126,360.00	\$ 126,360.01	\$ 157,950.00	\$ 157,950.01	\$ 189,540.00	\$ 189,540.01	\$ 221,130.00
	S09	\$ 1.00	\$ 250,000.00	\$ 250,000.01	\$ 499,999.00	\$ 499,999.01	\$ 749,999.00	\$ 749,999.01	\$ 999,999.00

C. Making Base Salary Decisions

Within the employment cycle, there are specific times when a manager will make pay decisions. Those times include time of hire, annual merit cycle, promotion, transfer, reclassification, and adjustments in salary for reasons other than those already mentioned (e.g., out of cycle adjustments).

The Human Resources team and managers have the responsibility to ensure all employee salaries are commensurate with the competencies and skills they bring to the business. Components considered at the time of pay decisions include:

- Internal equity: salaries of peers performing in the same position with like skills, knowledge, abilities, experiences and education
- Market equity: comparison to market averages
- Compa-Ratio: employee salary versus salary grade midpoint
- Current salary range penetration
- Employment metrics: Human Resources monitors terminations to ensure minimal turnover resulting from inappropriate salaries
- Matrix guideline (during annual salary review only)
- Current business conditions
- Budget

D. FY2003 MERIT CYCLE

As you review the information in the remainder of this section, you will learn the following:

- As the Merit Cycle is initiated, the Salary Improvement Fund (SIF) is adjusted in response to CSC's business conditions.
- The matrix guideline targets significant increases for employees who have contributed significantly to the success of the Chemical Group during the fiscal year.
- Some salary grades are targeted for aggressive salary increases where the average salaries for that salary grade are well below market average. This will allow us to maintain the integrity of our compensation philosophy.

NOTE: GIS Human Resources and the GIS Management team will provide GIS specific direction for the Merit Cycle. If you are a manager in GIS, please make sure you integrate salary administration direction provided by GIS.

FY2003 SALARY IMPROVEMENT FUND

The Salary Improvement Fund (SIF) is defined every year based on market conditions and business affordability. For FY03, the SIF is established at 2.5%. This was the maximum budget target for all salary actions. It is strongly recommended that managers utilize approximately 2.25% of your SIF allocation for salary actions in the current cycle and hold back 0.25% for salary transactions you may want to or need to make during the year. This type of recommendation will be made every year.

FY2003 RECOMMENDED MATRIX GUIDELINE

Every year a guideline is provided as a tool for managers to make recommendations regarding salary improvements to employees. It is programmed into SalMan to reflect recommended percent increases depending upon the overall contribution performance of the employee and the employee's current penetration within the salary grade range. The Guideline allows consistency of recommended increases by management across this entire Account, and it is consistent with our salary administration practices of rewarding the best contributing employees with significant salary increases within the constraints of our salary range structure.

Please note that the matrix was constructed using the assumption of a total FY03 salary improvement budget of 2.5% and includes a 0.25% hold back referenced above. As stated previously, it is recommended that the actual target for your entire work team be established at approximately 2.25% total average salary improvement during this current May 2002 review period.

RATING	QUARTILE				
	1 st	2nd	3rd	4th *	ABOVE 4th **
1	10.25% - 8.25%	6.25% - 8.25%	4.0% - 6.0%	2.0% - 4.0%	0
2	5.25% - 7.25%	3.25% - 5.25%	2.0% - 4.0%	1.0% - 3.0%	0
3	2.25% - 3.25%	1.25% - 3.25%	0.0%	0	0
4	0	0	0	0	0
5	0	0	0	0	0
* In no case can an increase to base salary cause the salary to exceed the salary range maximum.					
** No lump sum payments will be processed for employees at or above the salary range maximum.					

FY2003 SALARY INCREASE RECOMMENDATIONS

As indicated above, the HR team completed a market benchmark analysis of salaries for positions comparable to CSC positions in all salary grades. The result of the analysis identified specific areas in our structure that require special attention. For FY2003 merit cycle, the following recommendations are made:

1. The average salaries in grades S04 and S05 are slightly below market average. Managers with employees in these salary grades are asked to review their salary relative to the midpoint for that salary range. The midpoints of our salary ranges are set at market average. If the employee is significantly below midpoint, managers are asked to adjust the salary upward in excess of the matrix recommendation above. The action in SalMan is defined as a combination of a merit increase and an adjustment.
2. The average salaries in all other salary grades (N01-N11 and S01-S03 and S06-S08) are above our midpoints. Managers are instructed to use the recommendations described in the above matrix to increase salaries for employees in these salary ranges.
3. **NOTE:** All managers are encouraged to review all employees in all salary grades individually since some may be below or above midpoint.
4. **YOUR RESPONSIBILITY:** As a manager responsible for performance appraisals and associated salary increases, you will be held responsible to ensure that you do not exceed the dollars allocated to you for salary increases. The combined merit increases and salary adjustments recommended in this communication may need to be made in steps over the next 12-24 months.
5. **Employees working less than 40 hours per week:** When making changes to salaries for employees who work less than 40 hours per week, please make sure that you are making the change based on the employee's annualized salary (the salary that the employee would be paid if he or she worked 40 hours per week). GEMS will automatically calculate the appropriate annual earnings based on the number of hours the employee works per week.

Merit cycle communications will include instructions such as those described above. It is the manager's responsibility to ensure full understanding of these instructions prior to making base salary changes. Please contact your Compensation Manager (Rick Harman) at 302.391.6198 or any member of the Human Resources team if you have questions.

USING SALMAN

Quick start instructions for reaching SalMan and entering your pay recommendations are included below.

SalMan Quick Start Instructions:

To reach SalMan, you will need Internet Explorer 4.0 or higher or Netscape 4.0 or higher. Open either of these web browsers and type the following intranet address:

<https://salman.csc.com>

****Note:*** This address will not be accessible through the Lotus Notes web browser.

Once you reach the site, identify your Line of Service, then enter the Framework number for the group you manage, and finally enter your password. If you forget your password, call the SalMan helpline at 888-272-0070, using access code 987, and we can reset it for you.

SalMan has been designed to be user friendly and facilitate the process for salary increases:

- Once you log into SalMan and begin entering your salary increase decisions, the program will track your budget in terms of dollars you have spent and dollars remaining to be spent.
- When you log into SalMan you will initially see your direct reports. You may use the Structure Selection button to switch your view to your entire organization or subordinate managers' groups. The structure you select will be visible on the Employee Spreadsheet screen as well as in the reports.
- SalMan will identify any merit pay recommendations outside the merit matrix guideline and allow managers the opportunity to review before submitting them for approval.
- SalMan will automatically provide a salary increase recommendation based on appraisal rating and salary range penetration. Managers will have the opportunity to make further adjustments based on the recommendations made in earlier sections of this communication.
- SalMan will provide managers with employee salary and rating history, if available.
- **IMPORTANT NOTE:** Managers who administer salaries for **REGULAR PART TIME EMPLOYEES** or **REGULAR FULL TIME EMPLOYEES who work less than 40 hours per week**: calculate the salary increase based on the employee's annualized salary (the salary that they would received if they would work 40 hours per week).
- Managers will be able to utilize dropdown lists to facilitate entry of data (e.g., new job titles).

QUESTIONS ? ?

Questions or concerns about any process involved in the merit cycle can be directed to:

Performance Appraisals and database	Maureen Summers	302.391.6213
SalMan, SalMan training, any compensation issue	Rick Harman	302.391.6198
Framework Codes	Monique Burton (Chemical Group)	302.391.6202
	Shani J. Johnson (GIS)	817.782.0548
SalMan program issues	SalMan Help Line	888.272.0070; access code 987

4. CHEMICAL GROUP VARIABLE COMPENSATION PROGRAMS

Variable compensation was introduced to the Chemical Group in FY99 with the deployment of the Incentive Compensation Program (ICP). The first step defined a process that included all employees in an incentive compensation program, shifted focus from individual to team based incentives/rewards, and began to change our compensation "mix" from being fixed (base pay) to one that combines fixed and variable (incentive) rewards.

The programs that will be discussed in this section of this document include:

- A. The **New and Improved** Chemical Group North American Incentive Compensation Program (CGNAICP)
- B. Annual Management Incentive Program (AMIP)

These Programs play a major role in the Chemical Group Total Rewards Strategy.

The purpose of this section is to provide managers and supervisors with a description of how to align FY2003 business objectives with the FY2003 Variable Compensation. It will serve as a reference tool to help you, as a leader, educate, coach and counsel the members of your work team or group so that they:

- Fully understand the FY2003 Account and Functional objectives
- Develop individual work plans and goals that support the Account and Functional objectives
- Understand how individual work plans impact business results
- Understand how delivering business results impact them (employees) in terms of compensation/rewards

Eligibility for All Incentive Compensation Programs

The following describes the general eligibility requirements for all incentive/variable pay programs. If applicable, more specific eligibility requirements for specific programs will be included within the description for that program.

- Regular Full Time and Regular Part Time employees must join the Chemical Group payroll for program eligibility.
- Employees must work in a Chemical Group Line of Service that offers this program.
- Employees joining the Chemical Group as part of Global Infrastructure Systems (GIS) prior to April 5, 1999, are eligible for participation for FY2003.
- Employees must be performing at a category 1, 2, or 3 level of performance
- Chemical Group employees are eligible to participate in only **ONE** incentive compensation program at a time:
 - Employees cannot simultaneously participate in AMIP **and** the Chemical Group North American Incentive Compensation Program

PAYOUT:

- Employees must support DuPont, Avecia or JPM accounts in the Chemical Group business unit
- Chemical Group employees who transition to any business unit within CSC will receive a pro-rated payout from the Chemical Group at time of award payment based on the time period of contribution to Chemical Group business objectives.
- Employees must be on CSC payroll, active status, at the time of payout.
- REGULAR PART TIME EMPLOYEES or REGULAR FULL TIME EMPLOYEES who work less than 40 hours per week: payout will be pro-rated based on the number of hours worked per week.
- Exception: In the event of termination due to
 - death
 - retirement due to lack of work
 - layoff due to lack of work
 - disability

the employee will receive the pro-rated portion of payout at the time of award payment, based on months of participation.

- Employees terminated for cause will not receive payout.
- Participation eligibility in all programs is reviewed each year, and there is no guarantee of continued participation from one year to the next
- All incentive/variable compensation programs are reviewed annually and may be modified or discontinued based on the Chemical Group's financial capability and business requirements.
- **Employees who are on a paid or unpaid leave of absence greater than 30 consecutive days during the course of a fiscal year, will receive a pro-rated payout upon returning to work.**

FY2003 Payout Potential for Eligible Employees

Program Name	Maximum FY2003 Payout Potential
Chemical Group North American Incentive Compensation Program	5%, 7% and 9% of base pay depending upon grade level
Employees participating in FY2003 AMIP	Individual AMIP Maximum Potential

Role of the Leader

Our business objectives are the cornerstone of our success within the Chemical Group. The expectation is that every employee understands the objectives and his or her individual role in meeting and/or exceeding these objectives. Every manager will be held responsible and accountable to ensure this full understanding and thus, provide opportunity for every employee to contribute the success of the Chemical Group.

YOUR ROLE AS A LEADER is to enthusiastically invest the time to engage in dialog with each employee, one-on-one, about the FY2003 Business Objectives. During these discussions, focus on helping every employee understand the need to develop goals and work plans to support the FY2003 objectives. This may result in helping the individual and/or team/group define goals and work plans, and document them so that they can be measured and monitored.

Additionally, this offers you the opportunity to present more detail about the FY2003 Incentive Compensation Programs and how employees will be impacted financially by understanding how the business objectives tie to the FY2003 Incentive Compensation Programs.

A. FY2003 Chemical Group North American Incentive Compensation Program

Salary Grade	Target Potential	Weighted %		
		Financial	Client Satisfaction	Performance
N01-N09	5%	30%	35%	35%
S01-S03	7%	40%	30%	30%
S04-S06	9%	50%	25%	25%

Bonus Structure

The bonus structure consists of a breakout by grade levels for eligibility, targeted objectives for group financials and targeted objectives for individuals.

Example Payout

- Assumptions for example:
- Employee is an S03 grade level with a base salary of \$60,000 per year.
- Target bonus potential is equal to 7% of base salary or \$4,200.00
- Performance rating is equal to "2"
- Account made all financial objectives and CPAR objectives for the fiscal year.

Example:

- \$60,000 (base salary) x .07% (eligibility) = \$4,200.00 (target bonus)
- \$4200.00 x 40% (financial weighting) = \$1,680.00
- \$4200.00 x 60% (non-financial weighting) = \$2,520.00
 - 30% Client Satisfaction = \$1,260.00
 - 30% Individual Performance = \$1,260.00
- 30% Performance aspect multiplied times 125% for "2" PAR = \$1,575.00
- Total Bonus now equals \$4,515.00
- Prior year maximum payout opportunity was \$2,400.00

Employee has earned an additional \$2,315.00 in bonus dollars!

Employees contribute toward the satisfaction of these targeted objectives by establishing and meeting their individual objectives.

First, it is imperative that each employee understands how his/her individual objectives contribute toward the satisfaction of his/her team's objectives. It is the responsibility of both the employee and the manager to have a discussion so both parties are aligned around objectives.

Second, the employee needs to understand how the team's objectives contribute toward the satisfaction of his/her functional organization's objectives. It is the responsibility of the team and the appropriate management to have a discussion so both parties are aligned around objectives.

This cascading approach ensures that each individual's objectives support and contribute toward the satisfaction of overall Group, Account, and Functional objectives.

RATIONALE FOR TARGETED OBJECTIVES

Chemical Group Management has specifically identified the four targeted objectives above for the following reasons:

1. Chemical Group success with current and future business is directly impacted by the satisfaction of our clients. Therefore, it is critical to have all employees engaged around Account client satisfaction metrics and measurements. We do so by heavily weighting a percentage of your non-financial payout to client satisfaction.
2. The Group has made financial commitments to CSC Corporate, who then makes financial commitments to investors. Therefore, we have tied a large portion of your payout to Group Operating Income and to the Group Revenue commitment. These commitments must be met ensuring that operating cost is maintained or reduced. If the Group succeeds financially, we all succeed.

Employees will be kept up to date and informed of Chemical Group's progress throughout the fiscal year via quarterly report cards and email communications stating our progress to date in relation to business objectives and financials.

B. Annual Management Incentive Plan (AMIP)

BACKGROUND OF CSC AMIP

The CSC Annual Management Incentive Plan (AMIP) is based on CSC's fiscal year.

PARTICIPANT ELIGIBILITY GUIDELINES

Eligibility and payout guidelines for all other compensation programs apply. (See Page 12)

In addition, the following apply for AMIP:

- Employees are made eligible to participate in AMIP based on anticipated superior contributions to the successful achievement of business objectives.
- Participation is based on the employee's job scope and impact of decisions to the success of the business.
- **Participation in AMIP is held to the management job family and salary grade S05 and above** (see **NOTE** below). Maximum potential percent may increase commensurate with management salary grade level.
- Participation in AMIP is reviewed each year, and there is no guarantee of continued participation in the AMIP program.
- If an employee participating in AMIP accepts transfer or promotion to a position that does not meet the requirements/criteria for AMIP eligibility, the employee will not be eligible to participate in AMIP.

Participants are placed in AMIP and are eligible for a bonus award payment at a specified maximum potential percent of current base salary. The potential percent is comprised of two categories of performance: financial objectives and non-financial objectives that are jointly determined by the participant and cognizant manager.

Bonus awards are calculated following the close of the CSC fiscal year, and payments are generally made to participants at the end of May. Bonus award payments are cash payments and are not CSC MAP and Pension pensionable earnings. The payments are considered pensionable earnings under the DuPont and Conoco pension plans.

FY2003 CHEMICAL GROUP AMIP PROGRAM DESIGN

FY2003 PRINCIPLES AND CRITERIA FOR PARTICIPATION:

- 1) Any FY2002 participants at salary grade 4 will be "grandfathered" at their current maximum potential percent until such time these employees change job assignments which warrant either non-eligibility for AMIP or placement in a job classification of salary grade 5 or higher.
- 2) The FY2002 AMIP program includes both management and exempt non-management classifications of salary grade 5 and above.

NOTE: Chemical Group employees who are not in the management job family and in a classification or salary grade level lower than Director currently participate in AMIP. Since June 1997, the Chemical Group management team has worked to limit participation eligibility to employees in the management family. This practice will continue during FY2003. Participation at classification of a salary grades lower than Director will continue for Chemical Group employees. Criteria for participation are described below.

- 3) Employees in classifications of salary grades 7 and 8 (Director-level and above) will be eligible to participate in the AMIP, given job scope and impact of decisions to the success of business objectives.
- 4) Employees in classifications of salary grades 5 and 6 may be eligible to participate in the FY2003 AMIP based on the following criteria:
 - a) The employee performs in a job assignment with scope and responsibility that significantly impacts successful achievement of business objectives, and

- b) The employee consistently performs at a level assessed as exceeding expectations in the completion of tasks or projects and in positive interactions with others in the organization, and
 - c) The employee is personally committed to and actively works toward continuous learning and development by deploying strengths and developing weak skills, and actively seeks feedback for improvement of personal, interpersonal, managerial, and leadership skills, and is quick to learn and advance technical knowledge and skills, and
 - d) The employee demonstrates ability to deliver superior results, establishes priorities, delivers on commitments, and accepts accountability for critical tasks and results, and
 - e) The employee demonstrates ability to build and sustain effective working relationships to achieve results, engenders trust, resolves conflicts, and demonstrates courage to both identify and mitigate risks to deliver timely results, and
 - f) The employee demonstrates ability to build and sustain effective relationships with customers by gaining trust and respect and by dedicated efforts to meet the expectations and requirements of the customers, and
 - g) The employee demonstrates ability to motivate and empower people to achieve maximum potential by providing clear feedback in a coaching role, encouraging creativity, innovation and continuous improvement, and displays confidence in managing people to build a successful work environment, and
 - h) The employee demonstrates strong leadership capability by influencing others toward desired objectives, engaging in continuous learning, and driving core desired beliefs, values, and behaviors, and
 - i) The employee demonstrates ability to transform the overall business objectives into clear and specific strategies that contribute to the success of the business.
- 5) The manager of employees in exempt classifications of salary grades 5 and 6 will assess each direct report employee's ability to consistently demonstrate the criteria in item 4 above and make recommendation of the employee's FY2003 AMIP participation.
- a) The Manager must provide a written recommendation that supports the criteria in item 4 above. This recommendation must be reviewed and approved by the Manager's cognizant Vice President.
 - b) This recommendation for participation in the AMIP program will then be reviewed by the Human Resources Director and approved by the Senior Account Executive.
- 6) The maximum potential percent of base salary for FY2003 AMIP participation is as follows:
- a) Salary grade 5 at 10% or 15% maximum potential percent of base salary. Generally, employees eligible to participate for the first time in the AMIP will participate at the lower percent of 10%. Management will assess participation level based on criteria established in item 4 above as well as length of time the employee has performed in the job assignment.
 - b) Salary grade 6 at 20% or 25% maximum potential percent of base salary. Generally, employees eligible to participate for the first time in the AMIP will participate at the lower percent of 20%. Management will assess participation level based on criteria established in item 4 above as well as length of time the employee has performed in the job assignment.
 - c) Salary grade 7 at 30% or 35% maximum potential percent of base salary. Generally, employees eligible to participate for the first time in the AMIP will participate at the lower percent of 30%. Management will assess participation level based on criteria established in item 4 above as well as length of time the employee has performed in the job assignment.
 - d) Salary grade 8 at 50% or 60% or 70% maximum potential percent of base salary. Generally, employees eligible to participate for the first time in the AMIP will participate at the lower percent of 50%. Management will assess participation level based on criteria established in item 4 above as well as length of time the employee has performed in the job assignment. This labor grade is unique in that participation may be at one of three levels, 50% or 60% or 70%. The employee will be placed as eligible for participation at one of these maximum potential percents based on size of the reporting organization, impact of contribution to the overall business success, and potential to continue accelerated personal development as a superior leader for the Account and for the larger CSC Corporation.
- 7) Total bonus awards and payments are calculated as described in Section E.
- 8) All FY2002 AMIP participants that are eligible to participate in the FY2003 AMIP will be placed at a maximum potential percent that is consistent with the FY2002 potential percent. If the participant was at a percent greater than the range established for the participant's salary grade, the participant will be "grandfathered" at that percent until such time the participant is placed in a salary grade classification with a range that is greater than or equal to the current "grandfathered" percent. [Example: A FY2002 AMIP participant at 22%

maximum potential in salary grade 5 must be placed in a salary grade 6 classification in order to be eligible for an increase of maximum potential to 25%. The employee, upon placement in the salary grade 6 classification, may also be assessed by the manager for a maximum potential of 20% if the employee's new assignment warrants a decrease in maximum potential percent participation.]

- 9) At the beginning of each fiscal year, all preceding year participants will be evaluated against the participant's contributions as well as evaluated against the AMIP program criteria to validate participation eligibility for the current fiscal year AMIP program. Employees who are eligible to participate in the AMIP program because of meeting the above-listed criteria will be advised of participation by the cognizant manager and will jointly determine some of the objectives targeted for achievement during the fiscal year. Employees who were preceding year participants but who are evaluated as not eligible to participate in the current fiscal year AMIP program will be advised of non-eligibility by the cognizant manager. Executive management must exercise fairness and equity in the evaluation of employees for potential participation in the AMIP program. The cognizant manager will advise the Human Resources Organization of those employees identified as eligible to participate in the current year AMIP program as well as those (preceding year participant) employees identified as not eligible to participate.
- 10) Newly introduced for the Group President, Corporate-approved Vice Presidents, and other direct reports to the Group President is a payout scale on the Group financial objectives. This runs from 60% to 150% payout starting when actual results hit 85% of the specific financial budget, up to 120% on the high end.

Financial Achievement Payout Scale

